



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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September 6, 2002

Johnny Pappas, Sr. Environmental Engineer  
Plateau Mining Corporation  
P.O. Box 30  
Helper, Utah 84526-0030

Re: Notice of Proposed Division Order to Revise Reclamation Plan for Crandall Canyon Shafts, Plateau Mining Corporation, Willow Creek Mine, C/007/038-DO02A, Outgoing File

Dear Mr. Pappas:

The Division has completed a review of the Willow Creek Mining and Reclamation Plan (MRP) and has found it deficient with respect to final closure and sealing of the Crandall Canyon Shafts. Pursuant to R645-303-212, the Division will be preparing an order to correct the deficiency and provide for adequate final reclamation of this area. The Bureau of Land Management (BLM) has also reviewed this issue and provided comments. A copy of their letter is enclosed for your information.

It is clear from the perspective of both the BLM and the Division that the current plan to only cap the Crandall Canyon shafts is not adequate for permanent abandonment and final reclamation. A plan must be put in place that will provide for the protection of the coal and other resources in the area. The plan should be prepared by individuals experienced in completing deep shaft closures.

The BLM and the Division believe that backfilling of the air shafts is an acceptable method to address those problems previously aired. However, there may be alternative methods available through the expertise of companies familiar with shaft closures of this type.

The required amendment to the mining and reclamation plan must address the following issues;

- 1) A description of the items, which will remain in the shafts prior to the initiation of permanent sealing. This might include elevator guide rails, landings, pipes, etc. Drawings of remaining items should be included, as well as the volume of each type of material to be sealed within the mine.

The plan will address how to ensure a long term seal in the shaft and prevent the creation of voids. This will include how the coals associated with the various seams will be sealed and what kind of incombustible material will be utilized for fifty feet above the upper most coal bed (30 CFR 75.1711-1).

- 2) The estimated volume of material necessary to fill the two shafts, and the source of same. In order to comply with 30 CFR 75, some if not all of this material must be classed as incombustible. This should include a description of how the Mine works in the two seams will be sealed off.
- 3) If the permittee intends to utilize the overburden material which was extracted during the construction of the shafts and which was placed in the pad areas of the site, then new final surface configuration maps, as well as a new backfilling and grading plan must be submitted for Division review.
- 4) Revised bond calculations.
- 5) A hydrologic evaluation of potential water elevations as the mines continue to flood, as well as the method of treatment for water which may need to be pumped from the shafts in order to facilitate filling. An evaluation of the portal seals in the #3 and #5 Mines may need to be performed to re-evaluate the potential for the need to construct more hydrostatically safe sealing methods. The examination of Appendix 3.7M Chapter 3, Section 3.7, Castle Gate Mine, Crandall Canyon reveals that the "Type I" seals associated with the drift adits of the #3 and #5 Mines were constructed by only backfilling the entries with incombustible material for a length of 25 feet. Although this method of sealing meets the requirements of 30 CFR 75.1711-2, a mine flooding evaluation must be performed to determine if any of the seals, particularly those associated with the lower or #3 Mine, has the potential to allow mine water to flow to the surface. If this is the case, then the plan must address how this will be mitigated.
- 6) An analysis of water influx into the shaft will be included.
- 7) If fill material is used, the material must not react with shaft-intercepted ground water. To analyze this, a modified Toxicity Characteristic Leaching Procedure (TCLP) analysis may need to be performed. A discussion as to why this is or is not considered necessary should be included.

Please be aware that other issues may need to be addressed prior to the final Division approval of this amendment.

It is well known that the mines associated with the Sub-3 and D coal seams have liberated large volumes of methane gas. Therefore, a plan to permanently seal the shafts must consider the

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necessary safety requirements to allow the safe removal of the temporary caps, as well as those necessary to fill the voids. These procedures may need to be reviewed and monitored by the U.S. Department of Labor, Mine Safety and Health Administration. It is the Division's intent to keep both MSHA and the Utah State Industrial Commission informed of all activities associated with this project. It is suggested that Plateau Mining Corporation continue to co-operate with MSHA to the maximum extent possible to ensure a safe, rapid completion of this reclamation project.

Should you have questions, please contact Pete Hess at (435) 613-5622 or me at (801) 538-5325. Thank you.

Sincerely,

A handwritten signature in black ink that reads "Daron R. Haddock". The signature is fluid and cursive, with the first name "Daron" and last name "Haddock" clearly legible.

Daron R. Haddock  
Permit Supervisor

an  
Enclosure

cc: James Kohler, BLM, State Office  
Richard Gates, MSHA, District 9  
Price Field Office

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# United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

IN REPLY REFER TO:  
3484  
USL-071737  
(UT-932)

AUG 6 2002

Mary Ann Wright  
Division of Oil, Gas, and Mining  
P.O. Box 145801  
1594 West North Temple, Suite 1210  
Salt Lake City, UT 84114-5801

Re: Crandall Canyon Shafts - Castle Gate #3 and #5 Mines

Dear Mary Ann:

Cyprus/RAG has committed to reclaim their properties in Utah. Based on this announcement, BLM has reviewed the permit revision that was approved by the Division of Oil, Gas, and Mining on January 23, 2002, in order to determine whether the sealing plans for the Crandall Canyon shafts meet the requirements under 43 CFR 3484.2 which states:

"Upon permanent abandonment of mining operations, the authorized officer will require that the unmined recoverable coal reserves and other resources be adequately protected. Upon completion of abandonment, the authorized officer will inform the responsible office of the surface managing agency and regulatory authority as to whether the abandonment has been completed in compliance with the rules of this part."

The rules of this part indicate that,

"The abandonment of a mining area shall require the approval of the authorized officer." (43 CFR 3484.1 (c)(7)) and " . . . ensure that other resources are protected upon abandonment." (43 CFR 3484.1(b)(4))

We are notifying you prior to the start of abandonment that based on our technical determination the plans that were incorporated into the permit will **not** meet our requirements. Because the coal lease terminated due to lack of diligent development and the bond liability period has **not** terminated, BLM cannot approve the plan that is presented in the Mining Permit because the plan does not permanently abandon and protect the coal and other resources. At the present time the company has not received the Authorized Officer's permission to permanently abandon this Federal coal. We are in

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C/007/004  
Copy Mary Ann,  
Baron, Amber, P.A.  
Pete (2-sided)*

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communication at this time in order to keep the operator from doing any unnecessary work at the site.

We have made a technical determination concerning the permanent abandonment of these coal resources and have concluded that it must include the following:

1. Protection of the coal.

a. Coal: The coal needs to be sealed off in the shaft at or above the highest coal seam. The coal requires protection from fire, oxidation, pollution from direct or indirect sources, and physical access and sealing from other strata above the coal. During our review of this situation and our current information we have determined that seals were not placed between the entries and the Crandall Canyon Shafts in the Castle Gate #3 and Castle Gate #5 mines. Therefore, the coal is considered to be open from the mine to the surface.

b. Structures: No structures such as caps that will require perpetual monitoring or maintenance agreements with the regulatory authority, the surface owner or the mineral owner will be allowed.

2. Protection of the other resources:

a. Water: Consideration for the water and or aquifers that were encountered in the shaft must be addressed in any plans to permanently close the shaft. This could include a review of existing portal closures to ensure that they are designed properly so that water exiting the mine due to the elevation differences in the shaft will not impact the existing closure structures.

b. Methane: Methane must be sealed as far as practical from escaping into the atmosphere. Methane is a resource that may be tapped into the future and should be conserved. Methane that is filling into an open shaft will not be acceptable due to the fact that this would be a storage facility and it would require an authorization by BLM.

We feel the operator should be required to provide a shaft closure plan to mitigate the above concerns of the BLM along with any other concerns that DOGM may also have. People experienced in completing deep shaft closures should prepare the plan. Along with the items listed above, the steel in the Intake shaft should be addressed as far as removal or letting it remain in the shaft. This plan would have to be approved by DOGM, BLM and possibly MSHA depending upon the approach taken. In order for us to properly review the plan we would require information on the shaft such which would include but not be limited to, drawings of items in the shaft, shaft station locations and designs, utilities lines in the shaft, and water influx into the shaft.

Because this issue has quickly moved from a temporary closure to a permanent closure, we feel that it is necessary to immediately have a financial security on this issue. 43 CFR 3474.6 states;

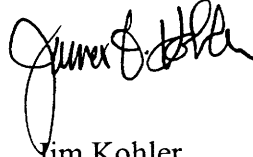
“The authorized officer shall not consent to termination of the period of liability under the lease bond unless an acceptable substitute bond has been filed or until all terms and conditions of the lease have been fulfilled.”

Our bond on this lease is a surety held by three companies. They are St. Paul Fire and Marine, Nation Union Fire Insurance Company of Pittsburgh, PA, and Travelers Causality and Surety Company. The bond for this lease is only at \$10,000, which is not

sufficient to cover the liabilities on the site. At the present time we have bonds on the Willow Creek mine lease UTU-73975 that are in excess and could be used for this situation if the company would place a rider on the bond to include this project. If DOGM would like to bond for this operation, BLM would be in agreement with this situation. We presently feel that about \$2,000,000 will cover this action. The bond then could be adjusted after the plan is approved.

For further information, please contact Mr. Stan Perkes at (801) 539-4036.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Kohler", written in a cursive style.

Jim Kohler  
Chief, Solid Minerals Branch

cc: PFO  
Richard Gates, Mine Safety and Health Administration, P.O. Box 25367, DFC,  
Denver, CO. 80225-0367 (730 Simms Street, Room 440, Golden, CO 80401-  
4798)  
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